

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

5

DECISION

TOPIC

Solid Waste Alternatives Program – Contract Amendment

The Department is seeking approval to exercise the rollover provision in the existing contract with the Product Stewardship Institute for the purpose of continuing facilitation the national dialogue and coordinating several projects addressing the growing and constant problem of leftover paint. The contract amendment will extend the contract for an additional year for an additional \$25,000.

Background

Disposal of unwanted paint is a large burden for local governments. In fiscal year 2005 Iowa's Regional Collection Centers disposed of 262,000 pounds of oil based paint through a hazardous waste contractor. This represented 43% of the total hazardous waste collected. The Regional Collection Centers also managed 647,300 pounds of latex paint. Although latex is not a hazardous waste, it cannot be landfilled in liquid form.

Beginning in December of 2003, the Product Stewardship Institute (PSI) has facilitated a national dialogue aimed at reducing the generation of leftover paint, while increasing reuse and recycling opportunities. With the support of dialogue participants from over 50 companies, industry associations, and government agencies, including the Department, these discussions resulted in a Memorandum of Understanding (MOU). The MOU is a bold agreement among partners with varying views on how to manage leftover paint in a way that is both cost effective and protective of the environment. The MOU outlines work on 11 projects that that will become the basis for developing a nationally coordinated paint management system.

During the past year PSI has facilitated work on the projects outlined in the MOU. Of the original 11 projects one has been completed, two are near completion and 6 others in process. PSI has also facilitated steering committee meetings and a full dialogue meeting. This contract amendment will enable PSI to continue the dialogue facilitation and oversee the completion of the projects.

Next Steps

Attachment A provides a brief description of the 11 projects contained in the MOU signed by the national dialogue participants. Together these projects total \$1.2 million dollars needed to develop a national paint management system.

The contract presented for approval outlines the Department's role in this national program and establishes deliverables that will provide necessary information for the Department to establish

more effective local, statewide and Midwest regional programs. Specifically the contract addresses and provides funding assistance for the following:

Duties of the Contractor:

The Contractor will provide the following services:

- Conduct quarterly Steering Committee meetings
- Conduct semiannual full national dialogue meetings
- Provide oversight and coordination for the projects outlined in Attachment A
- Coordinate workgroup conference calls.
- Provide regular updates to national dialogue members

At this time, the Department is requesting Commission approval to amend the contract with the Product Stewardship Institute to continue facilitation of the national dialogue and coordination of 11 projects specifically dealing with the reduction of leftover paint and the recycling/reuse of leftover.

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Administrator
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Attachment

- a) National Coordinated Paint Management System – Project Portfolio

January 31, 2006

Attachment A

National Coordinated Paint Management System – Project Portfolio

EDUCATION PROJECTS

Project #1 Leftover Paint Management Education Pilot:

Status: In progress, in need of additional funding.

During the dialogue, the PPSI group developed a one-page leftover paint management guidance for consumers entitled, *Be Paint Wise: Buy the Right Size*, on how to manage leftover paint. The guidance, developed by consensus, has been posted on the NPCA, Earth 911, and PSI web sites. However, before any large-scale campaign is developed to further disseminate the guidance, this project will test the effectiveness of the message and various communication techniques.

Additional funding is still needed to develop a pilot project that will determine the extent to which consumer behavior can be influenced, and leftover paint reduced, by educating consumers using the guidance.

Related Projects

Earth 911, a national environmental education organization, and the National Paint and Coatings Association have teamed to develop the Paint Wise Portal on the Earth 911 web site. This new dedicated paint information resource grew out of the PPSI dialogue, and highlights the *Leftover Paint Management Guidance* developed through consensus of the PPSI group. PSI, NPCA, and Earth 911 issued a joint press release on November 2, 2005, to announce the launch of this new site.

Another PPSI spin-off project began on November 16, 2005, when NPCA ran a Public Service Announcement (PSA) on the radio using the *Guidance* and the Earth 911 web site as the basis. As of 12/5/05 the PSA has been broadcast 150 times in 29 different states with an audience of 11,455,700. The PSA provides consumers with information on how to manage leftover paint, using the *Guidance* as its basis. The PSA encouraged the public to visit the Earth 911 Paint Wise portal for additional information on managing leftover paint.

Project #2 Public Education Survey and Analysis

Status: Completed

Based on a phone survey of residents in Portland, Maine, behavior change specialist McKenzie Mohr & Associates developed a final report that identified and ranked the reasons that people over-purchase paint. The report also recommended educational strategies to change consumer purchasing behaviors, thereby reducing the amount of leftover paint at the point of generation. The main recommendation was to pilot test an in-store kiosk that would allow consumers to calculate the amount of paint needed for a job without having to measure prior to entering the store. Project Documents

INFRASTRUCTURE PROJECTS

Project #3: Paint Reuse Guidance Manual

Status: Nearing completion

One issue identified during the PPSI dialogue was that managers of household hazardous waste facilities often do not realize the value in adding a paint swap to their program. In addition, while other groups, such as non-profits and community-based groups, run successful reuse facilities, this approach to waste minimization and recycling of paint is often overlooked and underutilized. It was also clear that the existing documents developed by various entities on how to start paint reuse programs were outdated and incomplete. Since the PPSI group determined the most cost effective and best use for leftover paint is to reuse it as paint, they decided to consolidate and update these resources into a single document called a *Paint Reuse Guidance Manual*.

NPCA has developed a draft *Guidance Manual* following input from PSI and the Infrastructure Workgroup, and will distribute the draft for public comment in early February 2006. The *Guidance Manual* is a comprehensive manual on paint reuse for state and municipal agencies, non-profit and/or other material reuse organizations, and other businesses and consumers. There will be a significant outreach component once the *Guidance Manual* is completed. Funding is still needed to conduct a pilot project to test the effectiveness of the *Guidance Manual* in increasing the number of new or expanded reuse centers, the amount of paint reused, and the cost savings in managing leftover paint through reuse

Project #4 National Infrastructure Model

Project #5 Infrastructure Cost Analysis

Status: In progress

These two projects will determine the most cost-effective and efficient infrastructure to collect, reuse, consolidate, transport, recycle, and dispose of leftover paint, and then determine the cost to develop that infrastructure nationally. One of the key barriers inhibiting a discussion on a nationally coordinated paint management system is the lack of information on cost-effective systems to manage leftover paint. This project will analyze the results from other PPSI projects, such as the *Paint Reuse Guidance Manual*, leftover paint age study, leftover paint quantity study, and the percentage of recyclable paint survey, to determine the most efficient infrastructure system. The Infrastructure Workgroup, led by an official from the Washington Department of Ecology, hired SCS Engineers, which prepared a draft report on the actual infrastructure needed. The workgroup raised additional funding to finalize the report, but still needs approximately \$40,000 to complete the project.

MARKET PROJECTS

Project #6 Recycled Paint Market Development Strategy

Status: In progress

This project involves the direct promotion of recycled content paint purchases. With initial funding from Metro Regional Government in Oregon and Dunn-Edwards paint company in California, PSI began researching potential markets for recycled paint in Oregon and California. The project goal is to increase recycled paint purchases in those two states. If additional funding is received, PSI will expand its marketing efforts to other states and the federal government, and develop model procurement policies to be voluntarily adopted by government and business. PSI will also develop articles on recycled paint purchasing for green building, procurement, and other publications.

Project #7 Recycled Paint Marketing Guide for Distributors

Status: Awaiting completion of Project #8 and funding

The goal of this project is to promote the use of recycled content paint by developing a flexible and adaptable comprehensive marketing guide for both public and private distributors, targeting a variety of market segments (e.g., homeowners, painting contractors, government agencies, non-profits, and export). The guide would educate buyers about the nature of recycled content paint, including its quality and performance. The guide would be used to overcome barriers and misconceptions with regard to recycled content paint. The project will be monitored closely to ensure adherence to antitrust regulations. This project is on hold until the Recycled Paint Certification System (Project #8) is completed and additional funds are raised.

Project #8 Recycled Paint Certification System

Status: In progress

One of the main barriers to the purchase of recycled paint is the perception that it is inferior to virgin paint. Paint recyclers believe that recycled paint can perform as good as, or better, than virgin paint in specific categories. To prove this claim, the PPSI dialogue is developing guidelines and performance specifications for recycled paint, along with a system for certifying specific recycled paint products. Such actions will help assure potential buyers and others involved with paint procurement of the quality, performance, and safety of recycled paint. Early funding by Metro Regional Government and Dunn Edwards allowed this project to start prior to receiving a sizable grant from the California Integrated Waste Management Board through San Joaquin County, California. California is the home of the majority of the country's paint recyclers. With assistance from PSI and the Markets Workgroup, the County hired Cal Polytechnic University to identify and evaluate entities that could develop a recycled paint environmental and performance standards, and recommend specifications to include in the standards. Cal Poly developed a final report entitled, *Preliminary Research on Certification Options*, in December 2005, and presented their findings to the full PPSI group at its September 24 dialogue meeting in Portland, OR.

Based on Cal Poly's report and recommendations, PPSI recommended to San Joaquin County that it contract with Green Seal to begin work on developing the environmental standard for recycled paint. PSI has gathered names of interested parties to develop the standard, and Green Seal is expected to finalize its participant list by mid-January. The standard will be developed by September 2006. Green Seal will develop the environmental standard by consensus to ensure transparency and stakeholder acceptance. The consensus process will be conducted under ISO standards for environmental labeling. ISO section 10202 requires that reasonable efforts be made to develop consensus-based labeling standards. The PPSI group will attempt to achieve a *leadership level* standard.

Post-consumer rates would have to be verified by third party audits using the Green Seal recycled paint standard. Cal Poly has recommended that the paint performance standard developed by the Master Painters Institute (MPI) be integrated into the Green Seal standard. MPI is a highly credible performance standard, which also relies on ASTM standards for paints and coatings.

OTHER PROJECTS

Project #9: Health, Safety, Environmental & Regulatory Issues

Status: Nearing completion

NPCA developed a draft document that details the health, safety, and environmental regulations to which paint manufacturers must comply, and identified regulatory barriers to the manufacturer of rebled or recycled post-consumer content latex and solvent-based paint. The document was reviewed by the Regulatory Workgroup and presented to the full PPSI at the September 24-25 dialogue meeting in Portland OR. The document will be distributed for public comment by early February 2006.

Project #10: Financing System Research and Model Development

Status: In progress

This project will prepare PPSI participants for future discussions on financing related to the development of a nationally coordinated paint management system. PSI, with support from the Financing Workgroup, will research transitional and long-term financing models and evaluate their potential application to the leftover paint financing discussions that will resume on October 1, 2006, in accordance with the multi-stakeholder Memorandum of Understanding. PSI will conduct research on financing options, prepare a list of options, and attempt to recommend a fair funding scenario for a future nationally coordinated paint management system. Existing research will be incorporated whenever possible.

Project #11: Lifecycle Balance of Costs and Benefits

Status: In progress

One of the key questions raised during the paint dialogue has been whether the lifecycle benefit to reusing or recycling latex paint outweighs the costs, and how these costs and benefits compare to disposing of the latex paint. This project will scientifically evaluate the environmental and other lifecycle costs and benefits of managing leftover paint through six specific management scenarios, ranging from simple drying/solid waste disposal to reuse and recycling.

NPCA, on behalf of the Lifecycle Workgroup, hired ICF to scope the cost-benefit analysis (CBA), and a combined team of First Environment and Franklin Associates to scope the lifecycle assessment (LCA). These scoping documents were finalized in December 2005 with significant workgroup input and PSI facilitation. The workgroup issued a second RFP in mid-December for the actual CBA and LCA. The workgroup is currently reviewing consultant bids. Depending on the funding required for the final phase of this project, the workgroup is expected to select contractors by mid-February, and will attempt to complete the project by September 2006.